

Senate File 499 - Introduced

SENATE FILE 499
BY COMMITTEE ON APPROPRIATIONS
BILL

(SUCCESSOR TO SSB 1281)

A BILL FOR

1 An Act making appropriations to the department of cultural
2 affairs, the economic development authority, the Iowa
3 finance authority, the public employment relations board,
4 the department of workforce development, and the state board
5 of regents and certain regents institutions, modifying
6 programs and duties of the economic development authority,
7 providing for other properly related matters, and including
8 effective date and retroactive and other applicability
9 provisions.
10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 DIVISION I
2 FY 2015-2016

3 Section 1. DEPARTMENT OF CULTURAL AFFAIRS.

4 1. There is appropriated from the general fund of the state
5 to the department of cultural affairs for the fiscal year
6 beginning July 1, 2015, and ending June 30, 2016, the following
7 amounts, or so much thereof as is necessary, to be used for the
8 purposes designated:

9 a. ADMINISTRATION

10 For salaries, support, maintenance, and miscellaneous
11 purposes, and for not more than the following full-time
12 equivalent positions for the department:

13	\$	176,882
14	FTEs	74.50

15 The department of cultural affairs shall coordinate
16 activities with the tourism office of the economic development
17 authority to promote attendance at the state historical
18 building and at this state's historic sites.

19 Full-time equivalent positions authorized under this
20 paragraph are funded, in full or in part, using moneys
21 appropriated under this paragraph, paragraphs "c" through "g",
22 and paragraph "i".

23 b. COMMUNITY CULTURAL GRANTS

24 For planning and programming for the community cultural
25 grants program established under section 303.3:

26	\$	172,090
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27 c. HISTORICAL DIVISION

28 For the support of the historical division:

29	\$	3,167,701
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30 d. HISTORIC SITES

31 For the administration and support of historic sites:

32	\$	426,398
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33 e. ARTS DIVISION

34 For the support of the arts division:

35	\$	1,233,764
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1 Of the moneys appropriated in this paragraph, the department
2 shall allocate \$300,000 for purposes of the film office.

3 f. IOWA GREAT PLACES

4 For the Iowa great places program established under section
5 303.3C:

6 \$ 150,000

7 g. ARCHIVE IOWA GOVERNORS' RECORDS

8 For archiving the records of Iowa governors:

9 \$ 65,933

10 h. RECORDS CENTER RENT

11 For payment of rent for the state records center:

12 \$ 227,243

13 i. BATTLE FLAGS

14 For continuation of the project recommended by the Iowa
15 battle flag advisory committee to stabilize the condition of
16 the battle flag collection:

17 \$ 94,000

18 2. Notwithstanding section 8.33, moneys appropriated in
19 this section that remain unencumbered or unobligated at the
20 close of the fiscal year shall not revert but shall remain
21 available for expenditure for the purposes designated until the
22 close of the succeeding fiscal year.

23 Sec. 2. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

24 1. For the fiscal year beginning July 1, 2015, the goals
25 for the economic development authority shall be to expand and
26 stimulate the state economy, increase the wealth of Iowans, and
27 increase the population of the state.

28 2. To achieve the goals in subsection 1, the economic
29 development authority shall do all of the following for the
30 fiscal year beginning July 1, 2015:

31 a. Concentrate its efforts on programs and activities that
32 result in commercially viable products and services.

33 b. Adopt practices and services consistent with free
34 market, private sector philosophies.

35 c. Ensure economic growth and development throughout the

1 state.

2 d. Work with businesses and communities to continually
3 improve the economic development climate along with the
4 economic well-being and quality of life for Iowans.

5 e. Coordinate with other state agencies to ensure that they
6 are attentive to the needs of an entrepreneurial culture.

7 f. Establish a strong and aggressive marketing image to
8 showcase Iowa's workforce, existing industry, and potential.
9 A priority shall be placed on recruiting new businesses,
10 business expansion, and retaining existing Iowa businesses.
11 Emphasis shall be placed on entrepreneurial development through
12 helping entrepreneurs secure capital, and developing networks
13 and a business climate conducive to entrepreneurs and small
14 businesses.

15 g. Encourage the development of communities and quality of
16 life to foster economic growth.

17 h. Prepare communities for future growth and development
18 through development, expansion, and modernization of
19 infrastructure.

20 i. Develop public-private partnerships with Iowa businesses
21 in the tourism industry, Iowa tour groups, Iowa tourism
22 organizations, and political subdivisions in this state to
23 assist in the development of advertising efforts.

24 j. Develop, to the fullest extent possible, cooperative
25 efforts for advertising with contributions from other sources.

26 Sec. 3. ECONOMIC DEVELOPMENT AUTHORITY.

27 1. APPROPRIATION

28 a. There is appropriated from the general fund of the state
29 to the economic development authority for the fiscal year
30 beginning July 1, 2015, and ending June 30, 2016, the following
31 amount, or so much thereof as is necessary, to be used for the
32 purposes designated in this subsection, and for not more than
33 the following full-time equivalent positions:

34 \$ 15,766,372
35 FTEs 149.00

1 b. (1) For salaries, support, miscellaneous purposes,
2 programs, marketing, and the maintenance of an administration
3 division, a business development division, a community
4 development division, a small business development division,
5 and other divisions the authority may organize.

6 (2) The full-time equivalent positions authorized under
7 this section are funded, in whole or in part, by the moneys
8 appropriated under this subsection or by other moneys received
9 by the authority, including certain federal moneys.

10 (3) For business development operations and programs,
11 international trade, export assistance, workforce recruitment,
12 and the partner state program.

13 (4) For transfer to a fund created pursuant to section
14 15.313 for purposes of financing strategic infrastructure
15 projects.

16 (5) For community economic development programs, tourism
17 operations, community assistance, plans for Iowa green corps
18 and summer youth programs, the mainstreet and rural mainstreet
19 programs, the school-to-career program, the community
20 development block grant, and housing and shelter-related
21 programs.

22 (6) For achieving the goals and accountability, and
23 fulfilling the requirements and duties required under this Act.

24 c. As a condition of receiving the appropriation under
25 this subsection, the authority shall transfer \$100,000 to the
26 department of transportation for deposit in the Iowa employment
27 rides fund created pursuant to section 324A.8 as enacted in
28 this Act.

29 d. Notwithstanding section 8.33, moneys appropriated in
30 this subsection that remain unencumbered or unobligated at the
31 close of the fiscal year shall not revert but shall remain
32 available for expenditure for the purposes designated in this
33 subsection until the close of the succeeding fiscal year.

34 2. FINANCIAL ASSISTANCE RESTRICTIONS

35 a. A business creating jobs through moneys appropriated in

1 subsection 1 shall be subject to contract provisions requiring
2 new and retained jobs to be filled by individuals who are
3 citizens of the United States who reside within the United
4 States or any person authorized to work in the United States
5 pursuant to federal law, including legal resident aliens in the
6 United States.

7 b. Any vendor who receives moneys appropriated in
8 subsection 1 shall adhere to such contract provisions and
9 provide periodic assurances as the state shall require that the
10 jobs are filled solely by citizens of the United States who
11 reside within the United States or any person authorized to
12 work in the United States pursuant to federal law, including
13 legal resident aliens in the United States.

14 c. A business that receives financial assistance from
15 the authority from moneys appropriated in subsection 1 shall
16 only employ individuals legally authorized to work in this
17 state. In addition to all other applicable penalties provided
18 by current law, all or a portion of the assistance received
19 by a business which is found to knowingly employ individuals
20 not legally authorized to work in this state is subject to
21 recapture by the authority.

22 3. USES OF APPROPRIATIONS

23 a. From the moneys appropriated in subsection 1, the
24 authority may provide financial assistance in the form of a
25 grant to a community economic development entity for conducting
26 a local workforce recruitment effort designed to recruit former
27 citizens of the state and former students at colleges and
28 universities in the state to meet the needs of local employers.

29 b. From the moneys appropriated in subsection 1, the
30 authority may provide financial assistance to early stage
31 industry companies being established by women entrepreneurs.

32 c. From the moneys appropriated in subsection 1, the
33 authority may provide financial assistance in the form of
34 grants, loans, or forgivable loans for advanced research and
35 commercialization projects involving value-added agriculture,

1 advanced technology, or biotechnology.

2 d. The authority shall not use any moneys appropriated in
3 subsection 1 for purposes of providing financial assistance for
4 the Iowa green streets pilot project or for any other program
5 or project that involves the installation of geothermal systems
6 for melting snow and ice from streets or sidewalks.

7 4. WORLD FOOD PRIZE

8 There is appropriated from the general fund of the state
9 to the economic development authority for the fiscal year
10 beginning July 1, 2015, and ending June 30, 2016, the following
11 amount for the world food prize and in lieu of the standing
12 appropriation in section 15.368, subsection 1:

13 \$ 800,000

14 5. IOWA COMMISSION ON VOLUNTEER SERVICE

15 There is appropriated from the general fund of the state
16 to the economic development authority for the fiscal year
17 beginning July 1, 2015, and ending June 30, 2016, the following
18 amount for allocation to the Iowa commission on volunteer
19 service for purposes of the Iowa state commission grant
20 program, the Iowa's promise and Iowa mentoring partnership
21 programs, and for not more than the following full-time
22 equivalent positions:

23 \$ 228,133

24 FTEs 7.00

25 Of the moneys appropriated in this subsection, the authority
26 shall allocate \$125,000 for purposes of the Iowa state
27 commission grant program and \$103,133 for purposes of the
28 Iowa's promise and Iowa mentoring partnership programs.

29 Notwithstanding section 8.33, moneys appropriated in this
30 subsection that remain unencumbered or unobligated at the close
31 of the fiscal year shall not revert but shall remain available
32 for expenditure for the purposes designated until the close of
33 the succeeding fiscal year.

34 6. COUNCILS OF GOVERNMENTS — ASSISTANCE

35 There is appropriated from the general fund of the state

1 to the economic development authority for the fiscal year
 2 beginning July 1, 2015, and ending June 30, 2016, the following
 3 amount to be used for the purposes of providing financial
 4 assistance to Iowa's councils of governments:

5 \$ 250,000

6 7. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS
 7 INTERNSHIPS

8 a. There is appropriated from the general fund of the state
 9 to the Iowa economic development authority for the fiscal year
 10 beginning July 1, 2015, and ending June 30, 2016, the following
 11 amount, or so much thereof as is necessary, for the purposes
 12 designated:

13 For the funding of internships for students studying in the
 14 fields of science, technology, engineering, and mathematics
 15 with eligible Iowa employers as provided in section 15.411,
 16 subsection 3, paragraph "c":
 17 \$ 1,000,000

18 b. No more than 3 percent of the moneys appropriated in this
 19 subsection may be used by the authority for costs associated
 20 with administration of the internship program.

21 c. Notwithstanding section 8.33, moneys appropriated in
 22 this subsection which remain unencumbered or unobligated at
 23 the end of the fiscal year shall not revert but shall remain
 24 available for expenditure for the purposes designated in
 25 subsequent fiscal years.

26 8. HOME BASE IOWA MARKETING

27 There is appropriated from the general fund of the state
 28 to the economic development authority for the fiscal year
 29 beginning July 1, 2015, and ending June 30, 2016, the following
 30 amount to be used for the purposes of marketing to attract
 31 veterans to the state:

32 \$ 500,000

33 Sec. 4. VISION IOWA PROGRAM — FTE AUTHORIZATION. For
 34 purposes of administrative duties associated with the vision
 35 Iowa program for the fiscal year beginning July 1, 2015, the

1 economic development authority is authorized an additional 2.25
2 FTEs above those otherwise authorized in this division of this
3 Act.

4 Sec. 5. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
5 collected by the division of insurance in excess of the
6 anticipated gross revenues under section 505.7, subsection
7 3, during the fiscal year beginning July 1, 2015, \$200,000
8 shall be transferred to the economic development authority for
9 insurance economic development and international insurance
10 economic development.

11 Sec. 6. IOWA FINANCE AUTHORITY.

12 1. There is appropriated from the general fund of the state
13 to the Iowa finance authority for the fiscal year beginning
14 July 1, 2015, and ending June 30, 2016, the following amount,
15 or so much thereof as is necessary, to be used to provide
16 reimbursement for rent expenses to eligible persons under the
17 rent subsidy program:

18 \$ 658,000

19 2. Participation in the rent subsidy program shall be
20 limited to only those persons who meet the requirements for the
21 nursing facility level of care for home and community-based
22 services waiver services as in effect on July 1, 2015, and
23 to those individuals who are eligible for the federal money
24 follows the person grant program under the medical assistance
25 program. Of the moneys appropriated in this section, not more
26 than \$35,000 may be used for administrative costs.

27 Sec. 7. IOWA FINANCE AUTHORITY AUDIT. The auditor of state
28 is requested to review the audit of the Iowa finance authority
29 performed by the auditor hired by the authority.

30 Sec. 8. PUBLIC EMPLOYMENT RELATIONS BOARD.

31 1. There is appropriated from the general fund of the state
32 to the public employment relations board for the fiscal year
33 beginning July 1, 2015, and ending June 30, 2016, the following
34 amount, or so much thereof as is necessary, for the purposes
35 designated:

1 For salaries, support, maintenance, and miscellaneous
 2 purposes, and for not more than the following full-time
 3 equivalent positions:

4 \$ 1,342,452
 5 FTEs 10.00

6 2. Of the moneys appropriated in this section, the board
 7 shall allocate \$15,000 for maintaining an internet site that
 8 allows searchable access to a database of collective bargaining
 9 information.

10 Sec. 9. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
 11 is appropriated from the general fund of the state to the
 12 department of workforce development for the fiscal year
 13 beginning July 1, 2015, and ending June 30, 2016, the following
 14 amounts, or so much thereof as is necessary, for the purposes
 15 designated:

16 1. DIVISION OF LABOR SERVICES

17 a. For the division of labor services, including salaries,
 18 support, maintenance, and miscellaneous purposes, and for not
 19 more than the following full-time equivalent positions:

20 \$ 4,667,416
 21 FTEs 68.00

22 b. From the contractor registration fees, the division of
 23 labor services shall reimburse the department of inspections
 24 and appeals for all costs associated with hearings under
 25 chapter 91C, relating to contractor registration.

26 c. Of the moneys appropriated under this subsection, the
 27 department shall allocate \$175,000 for the purpose of employing
 28 additional investigators and support staff to investigate wage
 29 enforcement.

30 2. DIVISION OF WORKERS' COMPENSATION

31 a. For the division of workers' compensation, including
 32 salaries, support, maintenance, and miscellaneous purposes, and
 33 for not more than the following full-time equivalent positions:

34 \$ 3,259,044
 35 FTEs 30.00

1 b. The division of workers' compensation shall charge a
 2 \$100 filing fee for workers' compensation cases. The filing
 3 fee shall be paid by the petitioner of a claim. However, the
 4 fee can be taxed as a cost and paid by the losing party, except
 5 in cases where it would impose an undue hardship or be unjust
 6 under the circumstances. The moneys generated by the filing
 7 fee allowed under this subsection are appropriated to the
 8 department of workforce development to be used for purposes of
 9 administering the division of workers' compensation.

10 3. WORKFORCE DEVELOPMENT OPERATIONS

11 a. For the operation of field offices, the workforce
 12 development board, and for not more than the following
 13 full-time equivalent positions:

14	\$	9,179,413
15	FTEs	130.00

16 b. Of the moneys appropriated in paragraph "a" of this
 17 subsection, the department shall allocate \$150,000 to the state
 18 library for the purpose of licensing an online resource which
 19 prepares persons to succeed in the workplace through programs
 20 which improve job skills and vocational test-taking abilities.

21 c. Of the moneys appropriated in paragraph "a" of this
 22 subsection, the department shall allocate at least \$1,130,602
 23 for the operation of the four satellite field offices located
 24 in Decorah, Fort Madison, Iowa City, and Webster City.

25 4. OFFENDER REENTRY PROGRAM

26 a. For the development and administration of an offender
 27 reentry program to provide offenders with employment skills,
 28 and for not more than the following full-time equivalent
 29 positions:

30	\$	358,464
31	FTEs	4.00

32 b. The department of workforce development shall partner
 33 with the department of corrections to provide staff within the
 34 correctional facilities to improve offenders' abilities to find
 35 and retain productive employment.

1 5. NONREVERSION

2 Notwithstanding section 8.33, moneys appropriated in this
 3 section that remain unencumbered or unobligated at the close of
 4 the fiscal year shall not revert but shall remain available for
 5 expenditure for the purposes designated until the close of the
 6 succeeding fiscal year.

7 Sec. 10. GENERAL FUND — EMPLOYEE MISCLASSIFICATION
 8 PROGRAM. There is appropriated from the general fund of the
 9 state to the department of workforce development for the fiscal
 10 year beginning July 1, 2015, and ending June 30, 2016, the
 11 following amount, or so much thereof as is necessary, to be
 12 used for the purposes designated:

13 For enhancing efforts to investigate employers that
 14 misclassify workers and for not more than the following
 15 full-time equivalent positions:

16	\$	451,458
17	FTEs	8.10

18 Sec. 11. SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

19 1. There is appropriated from the special employment
 20 security contingency fund to the department of workforce
 21 development for the fiscal year beginning July 1, 2015, and
 22 ending June 30, 2016, the following amount, or so much thereof
 23 as is necessary, to be used for field offices:

24	\$	1,766,084
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25 2. Any remaining additional penalty and interest revenue
 26 collected by the department of workforce development is
 27 appropriated to the department for the fiscal year beginning
 28 July 1, 2015, and ending June 30, 2016, to accomplish the
 29 mission of the department.

30 Sec. 12. UNEMPLOYMENT COMPENSATION RESERVE FUND —
 31 FIELD OFFICES. Notwithstanding section 96.9, subsection 8,
 32 paragraph "e", there is appropriated from interest earned on
 33 the unemployment compensation reserve fund to the department
 34 of workforce development for the fiscal year beginning July 1,
 35 2015, and ending June 30, 2016, the following amount, or so

1 much thereof as is necessary, for the purposes designated:

2 For the operation of satellite field offices:

3 \$ 400,000

4 Sec. 13. VIRTUAL ACCESS WORKFORCE DEVELOPMENT OFFICES. The
5 department of workforce development shall require a unique
6 identification login for all users of workforce development
7 centers operated through electronic means.

8 Sec. 14. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding
9 section 96.9, subsection 4, paragraph "a", moneys credited to
10 the state by the secretary of the treasury of the United
11 States pursuant to section 903 of the Social Security
12 Act are appropriated to the department of workforce
13 development and shall be used by the department for the
14 administration of the unemployment compensation program only.
15 This appropriation shall not apply to any fiscal year
16 beginning after December 31, 2015.

17 Sec. 15. SMALL BUSINESS DEVELOPMENT CENTERS. There is
18 appropriated from the general fund of the state to Iowa state
19 university of science and technology for the fiscal year
20 beginning July 1, 2015, and ending June 30, 2016, the following
21 amount, or so much thereof as is necessary, to be used for the
22 purposes of funding small business development centers:

23 \$ 101,000

24 Sec. 16. IOWA SKILLED WORKER AND JOB CREATION FUND.

25 1. There is appropriated from the Iowa skilled worker and
26 job creation fund created in section 8.75 to the following
27 departments, agencies, and institutions for the fiscal year
28 beginning July 1, 2015, and ending June 30, 2016, the following
29 amounts, or so much thereof as is necessary, to be used for the
30 purposes designated:

31 a. ECONOMIC DEVELOPMENT AUTHORITY

32 (1) For the purposes of providing assistance under the high
33 quality jobs program as described in section 15.335B:

34 \$ 16,900,000

35 (2) From the moneys appropriated in this lettered paragraph

1 "a", the economic development authority may use not more than
2 \$1,000,000 for purposes of providing infrastructure grants to
3 mainstreet communities under the main street Iowa program.

4 (3) As a condition of receiving moneys appropriated in
5 this lettered paragraph "a", an entity shall testify upon the
6 request of the joint appropriations subcommittee on economic
7 development regarding the expenditure of such moneys.

8 b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

9 (1) STATE BOARD OF REGENTS. For capacity building
10 infrastructure in areas related to technology
11 commercialization, marketing and business development
12 efforts in areas related to technology commercialization,
13 entrepreneurship, and business growth, and infrastructure
14 projects and programs needed to assist in implementation of
15 activities under chapter 262B:

16 \$ 3,000,000

17 Of the moneys appropriated pursuant to this subparagraph
18 (1), 35 percent shall be allocated for Iowa state university
19 of science and technology, 35 percent shall be allocated for
20 the university of Iowa, and 30 percent shall be allocated for
21 the university of northern Iowa.

22 (a) The institutions shall provide a one-to-one match
23 of additional moneys for the activities funded with moneys
24 appropriated under this subparagraph (1).

25 (b) The state board of regents shall annually submit a
26 report by January 15 to the governor, the general assembly,
27 and the legislative services agency regarding the activities,
28 projects, and programs funded with moneys appropriated under
29 this subparagraph (1). The report shall be provided in an
30 electronic format and shall include a list of metrics and
31 criteria mutually agreed to in advance by the board of regents
32 and the economic development authority. The metrics and
33 criteria shall allow the governor's office and the general
34 assembly to quantify and evaluate the progress of the board of
35 regents institutions with regard to their activities, projects,

1 and programs in the areas of technology commercialization,
 2 entrepreneurship, regional development, and market research.

3 (2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY. For
 4 small business development centers, the science and technology
 5 research park, and the center for industrial research and
 6 service, and for not more than the following full-time
 7 equivalent positions:

8	\$	2,424,302
9	FTEs	56.63

10 (a) Of the moneys appropriated in this subparagraph (2),
 11 Iowa state university of science and technology shall allocate
 12 at least \$735,728 for purposes of funding small business
 13 development centers. Iowa state university of science and
 14 technology may allocate the appropriated moneys to the various
 15 small business development centers in any manner necessary to
 16 achieve the purposes of this subparagraph.

17 (b) Iowa state university of science and technology shall
 18 do all of the following:

19 (i) Direct expenditures for research toward projects that
 20 will provide economic stimulus for Iowa.

21 (ii) Provide emphasis to providing services to Iowa-based
 22 companies.

23 (c) It is the intent of the general assembly that the
 24 industrial incentive program focus on Iowa industrial sectors
 25 and seek contributions and in-kind donations from businesses,
 26 industrial foundations, and trade associations, and that moneys
 27 for the center for industrial research and service industrial
 28 incentive program shall be allocated only for projects which
 29 are matched by private sector moneys for directed contract
 30 research or for nondirected research. The match required of
 31 small businesses as defined in section 15.102, subsection 10,
 32 for directed contract research or for nondirected research
 33 shall be \$1 for each \$3 of state funds. The match required
 34 for other businesses for directed contract research or
 35 for nondirected research shall be \$1 for each \$1 of state

1 funds. The match required of industrial foundations or trade
2 associations shall be \$1 for each \$1 of state funds.

3 Iowa state university of science and technology shall
4 report annually to the joint appropriations subcommittee on
5 economic development and the legislative services agency the
6 total amount of private contributions, the proportion of
7 contributions from small businesses and other businesses, and
8 the proportion for directed contract research and nondirected
9 research of benefit to Iowa businesses and industrial sectors.

10 (3) STATE UNIVERSITY OF IOWA. For the state university
11 of Iowa research park and for the advanced drug development
12 program at the Oakdale research park, including salaries,
13 support, maintenance, equipment, and miscellaneous purposes,
14 and for not more than the following full-time equivalent
15 positions:

16	\$	209,279
17	FTEs	6.00

18 The state university of Iowa shall do all of the following:

19 (a) Direct expenditures for research toward projects that
20 will provide economic stimulus for Iowa.

21 (b) Provide emphasis to providing services to Iowa-based
22 companies.

23 (4) STATE UNIVERSITY OF IOWA. For the purpose of
24 implementing the entrepreneurship and economic growth
25 initiative, and for not more than the following full-time
26 equivalent positions:

27	\$	2,000,000
28	FTEs	9.75

29 (5) UNIVERSITY OF NORTHERN IOWA. For the metal casting
30 institute, the MyEntreNet internet application, and the
31 institute of decision making, including salaries, support,
32 maintenance, and miscellaneous purposes, and for not more than
33 the following full-time equivalent positions:

34	\$	1,066,419
35	FTEs	7.72

1 (a) Of the moneys appropriated pursuant to this
 2 subparagraph (5), the university of northern Iowa shall
 3 allocate at least \$617,639 for purposes of support of
 4 entrepreneurs through the university's regional business center
 5 and economic gardening program.

6 (b) The university of northern Iowa shall do all of the
 7 following:

8 (i) Direct expenditures for research toward projects that
 9 will provide economic stimulus for Iowa.

10 (ii) Provide emphasis to providing services to Iowa-based
 11 companies.

12 (6) As a condition of receiving moneys appropriated in
 13 this lettered paragraph "b", an entity shall testify upon the
 14 request of the joint appropriations subcommittee on economic
 15 development regarding the expenditure of such moneys.

16 c. DEPARTMENT OF WORKFORCE DEVELOPMENT

17 To develop a long-term sustained program to train unemployed
 18 and underemployed central Iowans with skills necessary to
 19 advance to higher-paying jobs with full benefits:

20 \$ 100,000

21 (1) The department of workforce development shall begin
 22 a request for proposals process, issued for purposes of this
 23 lettered paragraph "c", no later than September 1, 2015.

24 (2) As a condition of receiving moneys appropriated under
 25 this lettered paragraph "c", an entity shall testify upon the
 26 request of the joint appropriations subcommittee on economic
 27 development regarding the expenditure of such moneys.

28 2. Notwithstanding section 8.33, moneys appropriated
 29 in this section of this Act that remain unencumbered or
 30 unobligated at the close of the fiscal year shall not revert
 31 but shall remain available for expenditure for the purposes
 32 designated until the close of the succeeding fiscal year.

33 Sec. 17. IOWA PRODUCTS. As a condition of receiving an
 34 appropriation, any agency appropriated moneys pursuant to
 35 this division of this Act shall give first preference when

1 purchasing a product to an Iowa product or a product produced
2 from an Iowa-based business. Second preference shall be
3 given to a United States product or a product produced from a
4 business based in the United States.

5 Sec. 18. PERSONNEL SETTLEMENT AGREEMENT PAYMENTS. As
6 a condition made to any appropriation to the department of
7 cultural affairs, the economic development authority, the Iowa
8 finance authority, the public employment relations board,
9 the department of workforce development, the state board of
10 regents, Iowa state university of science and technology, the
11 state university of Iowa, or the university of northern Iowa as
12 provided in this division of this Act, moneys appropriated and
13 any other moneys available for use by that entity under this
14 division of this Act shall not be used for the payment of a
15 personnel settlement agreement between that entity and a state
16 employee that contains a confidentiality provision intended to
17 prevent public disclosure of the agreement or any terms of the
18 agreement.

19 DIVISION II

20 FY 2016-2017

21 Sec. 19. DEPARTMENT OF CULTURAL AFFAIRS.

22 1. There is appropriated from the general fund of the state
23 to the department of cultural affairs for the fiscal year
24 beginning July 1, 2016, and ending June 30, 2017, the following
25 amounts, or so much thereof as is necessary, to be used for the
26 purposes designated:

27 a. ADMINISTRATION

28 For salaries, support, maintenance, and miscellaneous
29 purposes, and for not more than the following full-time
30 equivalent positions for the department:

31	\$	88,441
32	FTEs	74.50

33 The department of cultural affairs shall coordinate
34 activities with the tourism office of the economic development
35 authority to promote attendance at the state historical

1 building and at this state's historic sites.

2 Full-time equivalent positions authorized under this
3 paragraph are funded, in full or in part, using moneys
4 appropriated under this paragraph, paragraphs "c" through "g",
5 and paragraph "i".

6 b. COMMUNITY CULTURAL GRANTS

7 For planning and programming for the community cultural
8 grants program established under section 303.3:

9 \$ 86,045

10 c. HISTORICAL DIVISION

11 For the support of the historical division:

12 \$ 1,583,851

13 d. HISTORIC SITES

14 For the administration and support of historic sites:

15 \$ 213,199

16 e. ARTS DIVISION

17 For the support of the arts division:

18 \$ 616,882

19 Of the moneys appropriated in this paragraph, the department
20 shall allocate \$300,000 for purposes of the film office.

21 f. IOWA GREAT PLACES

22 For the Iowa great places program established under section
23 303.3C:

24 \$ 75,000

25 g. ARCHIVE IOWA GOVERNORS' RECORDS

26 For archiving the records of Iowa governors:

27 \$ 32,967

28 h. RECORDS CENTER RENT

29 For payment of rent for the state records center:

30 \$ 113,622

31 i. BATTLE FLAGS

32 For continuation of the project recommended by the Iowa
33 battle flag advisory committee to stabilize the condition of
34 the battle flag collection:

35 \$ 47,000

1 2. Notwithstanding section 8.33, moneys appropriated in
2 this section that remain unencumbered or unobligated at the
3 close of the fiscal year shall not revert but shall remain
4 available for expenditure for the purposes designated until the
5 close of the succeeding fiscal year.

6 Sec. 20. GOALS AND ACCOUNTABILITY — ECONOMIC DEVELOPMENT.

7 1. For the fiscal year beginning July 1, 2016, the goals
8 for the economic development authority shall be to expand and
9 stimulate the state economy, increase the wealth of Iowans, and
10 increase the population of the state.

11 2. To achieve the goals in subsection 1, the economic
12 development authority shall do all of the following for the
13 fiscal year beginning July 1, 2016:

14 a. Concentrate its efforts on programs and activities that
15 result in commercially viable products and services.

16 b. Adopt practices and services consistent with free
17 market, private sector philosophies.

18 c. Ensure economic growth and development throughout the
19 state.

20 d. Work with businesses and communities to continually
21 improve the economic development climate along with the
22 economic well-being and quality of life for Iowans.

23 e. Coordinate with other state agencies to ensure that they
24 are attentive to the needs of an entrepreneurial culture.

25 f. Establish a strong and aggressive marketing image to
26 showcase Iowa's workforce, existing industry, and potential.

27 A priority shall be placed on recruiting new businesses,
28 business expansion, and retaining existing Iowa businesses.
29 Emphasis shall be placed on entrepreneurial development through
30 helping entrepreneurs secure capital, and developing networks
31 and a business climate conducive to entrepreneurs and small
32 businesses.

33 g. Encourage the development of communities and quality of
34 life to foster economic growth.

35 h. Prepare communities for future growth and development

1 through development, expansion, and modernization of
2 infrastructure.

3 i. Develop public-private partnerships with Iowa businesses
4 in the tourism industry, Iowa tour groups, Iowa tourism
5 organizations, and political subdivisions in this state to
6 assist in the development of advertising efforts.

7 j. Develop, to the fullest extent possible, cooperative
8 efforts for advertising with contributions from other sources.

9 Sec. 21. ECONOMIC DEVELOPMENT AUTHORITY.

10 1. APPROPRIATION

11 a. There is appropriated from the general fund of the state
12 to the economic development authority for the fiscal year
13 beginning July 1, 2016, and ending June 30, 2017, the following
14 amount, or so much thereof as is necessary, to be used for the
15 purposes designated in this subsection, and for not more than
16 the following full-time equivalent positions:

17	\$	7,883,186
18	FTEs	149.00

19 b. (1) For salaries, support, miscellaneous purposes,
20 programs, marketing, and the maintenance of an administration
21 division, a business development division, a community
22 development division, a small business development division,
23 and other divisions the authority may organize.

24 (2) The full-time equivalent positions authorized under
25 this section are funded, in whole or in part, by the moneys
26 appropriated under this subsection or by other moneys received
27 by the authority, including certain federal moneys.

28 (3) For business development operations and programs,
29 international trade, export assistance, workforce recruitment,
30 and the partner state program.

31 (4) For transfer to a fund created pursuant to section
32 15.313 for purposes of financing strategic infrastructure
33 projects.

34 (5) For community economic development programs, tourism
35 operations, community assistance, plans for Iowa green corps

1 and summer youth programs, the mainstreet and rural mainstreet
2 programs, the school-to-career program, the community
3 development block grant, and housing and shelter-related
4 programs.

5 (6) For achieving the goals and accountability, and
6 fulfilling the requirements and duties required under this Act.

7 c. As a condition of receiving the appropriation under
8 this subsection, the authority shall transfer \$100,000 to the
9 department of transportation for deposit in the Iowa employment
10 rides fund created pursuant to section 324A.8 as enacted in
11 this Act.

12 d. Notwithstanding section 8.33, moneys appropriated in
13 this subsection that remain unencumbered or unobligated at the
14 close of the fiscal year shall not revert but shall remain
15 available for expenditure for the purposes designated in this
16 subsection until the close of the succeeding fiscal year.

17 2. FINANCIAL ASSISTANCE RESTRICTIONS

18 a. A business creating jobs through moneys appropriated in
19 subsection 1 shall be subject to contract provisions requiring
20 new and retained jobs to be filled by individuals who are
21 citizens of the United States who reside within the United
22 States or any person authorized to work in the United States
23 pursuant to federal law, including legal resident aliens in the
24 United States.

25 b. Any vendor who receives moneys appropriated in
26 subsection 1 shall adhere to such contract provisions and
27 provide periodic assurances as the state shall require that the
28 jobs are filled solely by citizens of the United States who
29 reside within the United States or any person authorized to
30 work in the United States pursuant to federal law, including
31 legal resident aliens in the United States.

32 c. A business that receives financial assistance from
33 the authority from moneys appropriated in subsection 1 shall
34 only employ individuals legally authorized to work in this
35 state. In addition to all other applicable penalties provided

1 by current law, all or a portion of the assistance received
 2 by a business which is found to knowingly employ individuals
 3 not legally authorized to work in this state is subject to
 4 recapture by the authority.

5 3. USES OF APPROPRIATIONS

6 a. From the moneys appropriated in subsection 1, the
 7 authority may provide financial assistance in the form of a
 8 grant to a community economic development entity for conducting
 9 a local workforce recruitment effort designed to recruit former
 10 citizens of the state and former students at colleges and
 11 universities in the state to meet the needs of local employers.

12 b. From the moneys appropriated in subsection 1, the
 13 authority may provide financial assistance to early stage
 14 industry companies being established by women entrepreneurs.

15 c. From the moneys appropriated in subsection 1, the
 16 authority may provide financial assistance in the form of
 17 grants, loans, or forgivable loans for advanced research and
 18 commercialization projects involving value-added agriculture,
 19 advanced technology, or biotechnology.

20 d. The authority shall not use any moneys appropriated in
 21 subsection 1 for purposes of providing financial assistance for
 22 the Iowa green streets pilot project or for any other program
 23 or project that involves the installation of geothermal systems
 24 for melting snow and ice from streets or sidewalks.

25 4. WORLD FOOD PRIZE

26 There is appropriated from the general fund of the state
 27 to the economic development authority for the fiscal year
 28 beginning July 1, 2016, and ending June 30, 2017, the following
 29 amount for the world food prize and in lieu of the standing
 30 appropriation in section 15.368, subsection 1:

31 \$ 400,000

32 5. IOWA COMMISSION ON VOLUNTEER SERVICE

33 There is appropriated from the general fund of the state
 34 to the economic development authority for the fiscal year
 35 beginning July 1, 2016, and ending June 30, 2017, the following

1 amount for allocation to the Iowa commission on volunteer
 2 service for purposes of the Iowa state commission grant
 3 program, the Iowa's promise and Iowa mentoring partnership
 4 programs, and for not more than the following full-time
 5 equivalent positions:

6	\$	114,067
7	FTEs	7.00

8 Of the moneys appropriated in this subsection, the
 9 authority shall allocate \$62,500 for purposes of the Iowa state
 10 commission grant program and \$51,567 for purposes of the Iowa's
 11 promise and Iowa mentoring partnership programs.

12 Notwithstanding section 8.33, moneys appropriated in this
 13 subsection that remain unencumbered or unobligated at the close
 14 of the fiscal year shall not revert but shall remain available
 15 for expenditure for the purposes designated until the close of
 16 the succeeding fiscal year.

17 6. COUNCILS OF GOVERNMENTS — ASSISTANCE

18 There is appropriated from the general fund of the state
 19 to the economic development authority for the fiscal year
 20 beginning July 1, 2016, and ending June 30, 2017, the following
 21 amount to be used for the purposes of providing financial
 22 assistance to Iowa's councils of governments:

23	\$	125,000
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24 7. SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS 25 INTERNSHIPS

26 a. There is appropriated from the general fund of the state
 27 to the Iowa economic development authority for the fiscal year
 28 beginning July 1, 2016, and ending June 30, 2017, the following
 29 amount, or so much thereof as is necessary, for the purposes
 30 designated:

31 For the funding of internships for students studying in the
 32 fields of science, technology, engineering, and mathematics
 33 with eligible Iowa employers as provided in section 15.411,
 34 subsection 3, paragraph "c":
 35

35	\$	500,000
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1 b. No more than 3 percent of the moneys appropriated in this
2 subsection may be used by the authority for costs associated
3 with administration of the internship program.

4 c. Notwithstanding section 8.33, moneys appropriated in
5 this subsection which remain unencumbered or unobligated at
6 the end of the fiscal year shall not revert but shall remain
7 available for expenditure for the purposes designated in
8 subsequent fiscal years.

9 8. HOME BASE IOWA MARKETING

10 There is appropriated from the general fund of the state
11 to the economic development authority for the fiscal year
12 beginning July 1, 2016, and ending June 30, 2017, the following
13 amount to be used for the purposes of marketing to attract
14 veterans to the state:

15 \$ 250,000

16 Sec. 22. VISION IOWA PROGRAM — FTE AUTHORIZATION. For
17 purposes of administrative duties associated with the vision
18 Iowa program for the fiscal year beginning July 1, 2016, the
19 economic development authority is authorized an additional 2.25
20 FTEs above those otherwise authorized in this division of this
21 Act.

22 Sec. 23. INSURANCE ECONOMIC DEVELOPMENT. From the moneys
23 collected by the division of insurance in excess of the
24 anticipated gross revenues under section 505.7, subsection
25 3, during the fiscal year beginning July 1, 2016, \$100,000
26 shall be transferred to the economic development authority for
27 insurance economic development and international insurance
28 economic development.

29 Sec. 24. IOWA FINANCE AUTHORITY.

30 1. There is appropriated from the general fund of the state
31 to the Iowa finance authority for the fiscal year beginning
32 July 1, 2016, and ending June 30, 2017, the following amount,
33 or so much thereof as is necessary, to be used to provide
34 reimbursement for rent expenses to eligible persons under the
35 rent subsidy program:

1 \$ 329,000

2 2. Participation in the rent subsidy program shall be
3 limited to only those persons who meet the requirements for the
4 nursing facility level of care for home and community-based
5 services waiver services as in effect on July 1, 2016, and
6 to those individuals who are eligible for the federal money
7 follows the person grant program under the medical assistance
8 program. Of the moneys appropriated in this section, not more
9 than \$35,000 may be used for administrative costs.

10 Sec. 25. IOWA FINANCE AUTHORITY AUDIT. The auditor of state
11 is requested to review the audit of the Iowa finance authority
12 performed by the auditor hired by the authority.

13 Sec. 26. PUBLIC EMPLOYMENT RELATIONS BOARD.

14 1. There is appropriated from the general fund of the state
15 to the public employment relations board for the fiscal year
16 beginning July 1, 2016, and ending June 30, 2017, the following
17 amount, or so much thereof as is necessary, for the purposes
18 designated:

19 For salaries, support, maintenance, and miscellaneous
20 purposes, and for not more than the following full-time
21 equivalent positions:

22 \$ 671,226

23 FTEs 10.00

24 2. Of the moneys appropriated in this section, the board
25 shall allocate \$15,000 for maintaining an internet site that
26 allows searchable access to a database of collective bargaining
27 information.

28 Sec. 27. DEPARTMENT OF WORKFORCE DEVELOPMENT. There
29 is appropriated from the general fund of the state to the
30 department of workforce development for the fiscal year
31 beginning July 1, 2016, and ending June 30, 2017, the following
32 amounts, or so much thereof as is necessary, for the purposes
33 designated:

34 1. DIVISION OF LABOR SERVICES

35 a. For the division of labor services, including salaries,

1 support, maintenance, and miscellaneous purposes, and for not
2 more than the following full-time equivalent positions:

3 \$ 2,333,708
4 FTEs 68.00

5 b. From the contractor registration fees, the division of
6 labor services shall reimburse the department of inspections
7 and appeals for all costs associated with hearings under
8 chapter 91C, relating to contractor registration.

9 2. DIVISION OF WORKERS' COMPENSATION

10 a. For the division of workers' compensation, including
11 salaries, support, maintenance, and miscellaneous purposes, and
12 for not more than the following full-time equivalent positions:

13 \$ 1,629,522
14 FTEs 30.00

15 b. The division of workers' compensation shall charge a
16 \$100 filing fee for workers' compensation cases. The filing
17 fee shall be paid by the petitioner of a claim. However, the
18 fee can be taxed as a cost and paid by the losing party, except
19 in cases where it would impose an undue hardship or be unjust
20 under the circumstances. The moneys generated by the filing
21 fee allowed under this subsection are appropriated to the
22 department of workforce development to be used for purposes of
23 administering the division of workers' compensation.

24 3. WORKFORCE DEVELOPMENT OPERATIONS

25 a. For the operation of field offices, the workforce
26 development board, and for not more than the following
27 full-time equivalent positions:

28 \$ 4,589,707
29 FTEs 130.00

30 b. Of the moneys appropriated in paragraph "a" of this
31 subsection, the department shall allocate \$150,000 to the state
32 library for the purpose of licensing an online resource which
33 prepares persons to succeed in the workplace through programs
34 which improve job skills and vocational test-taking abilities.

35 c. Of the moneys appropriated in paragraph "a" of this

1 subsection, the department shall allocate at least \$1,130,602
 2 for the operation of the four satellite field offices located
 3 in Decorah, Fort Madison, Iowa City, and Webster City.

4 4. OFFENDER REENTRY PROGRAM

5 a. For the development and administration of an offender
 6 reentry program to provide offenders with employment skills,
 7 and for not more than the following full-time equivalent
 8 positions:

9	\$	179,232
10	FTEs	4.00

11 b. The department of workforce development shall partner
 12 with the department of corrections to provide staff within the
 13 correctional facilities to improve offenders' abilities to find
 14 and retain productive employment.

15 5. NONREVERSION

16 Notwithstanding section 8.33, moneys appropriated in this
 17 section that remain unencumbered or unobligated at the close of
 18 the fiscal year shall not revert but shall remain available for
 19 expenditure for the purposes designated until the close of the
 20 succeeding fiscal year.

21 Sec. 28. GENERAL FUND — EMPLOYEE MISCLASSIFICATION
 22 PROGRAM. There is appropriated from the general fund of the
 23 state to the department of workforce development for the fiscal
 24 year beginning July 1, 2016, and ending June 30, 2017, the
 25 following amount, or so much thereof as is necessary, to be
 26 used for the purposes designated:

27 For enhancing efforts to investigate employers that
 28 misclassify workers and for not more than the following
 29 full-time equivalent positions:

30	\$	225,729
31	FTEs	8.10

32 Sec. 29. SPECIAL EMPLOYMENT SECURITY CONTINGENCY FUND.

33 1. There is appropriated from the special employment
 34 security contingency fund to the department of workforce
 35 development for the fiscal year beginning July 1, 2016, and

1 ending June 30, 2017, the following amount, or so much thereof
2 as is necessary, to be used for field offices:

3 \$ 883,042

4 2. Any remaining additional penalty and interest revenue
5 collected by the department of workforce development is
6 appropriated to the department for the fiscal year beginning
7 July 1, 2016, and ending June 30, 2017, to accomplish the
8 mission of the department.

9 Sec. 30. UNEMPLOYMENT COMPENSATION RESERVE FUND —
10 FIELD OFFICES. Notwithstanding section 96.9, subsection 8,
11 paragraph "e", there is appropriated from interest earned on
12 the unemployment compensation reserve fund to the department
13 of workforce development for the fiscal year beginning July 1,
14 2016, and ending June 30, 2017, the following amount, or so
15 much thereof as is necessary, for the purposes designated:

16 For the operation of satellite field offices:

17 \$ 200,000

18 Sec. 31. VIRTUAL ACCESS WORKFORCE DEVELOPMENT OFFICES. The
19 department of workforce development shall require a unique
20 identification login for all users of workforce development
21 centers operated through electronic means.

22 Sec. 32. UNEMPLOYMENT COMPENSATION PROGRAM. Notwithstanding
23 section 96.9, subsection 4, paragraph "a", moneys credited to
24 the state by the secretary of the treasury of the United
25 States pursuant to section 903 of the Social Security
26 Act are appropriated to the department of workforce
27 development and shall be used by the department for the
28 administration of the unemployment compensation program only.
29 This appropriation shall not apply to any fiscal year
30 beginning after December 31, 2016.

31 Sec. 33. SMALL BUSINESS DEVELOPMENT CENTERS. There is
32 appropriated from the general fund of the state to Iowa state
33 university of science and technology for the fiscal year
34 beginning July 1, 2016, and ending June 30, 2017, the following
35 amount, or so much thereof as is necessary, to be used for the

1 purposes of funding small business development centers:

2 \$ 50,500

3 Sec. 34. IOWA SKILLED WORKER AND JOB CREATION FUND.

4 1. There is appropriated from the Iowa skilled worker and
5 job creation fund created in section 8.75 to the following
6 departments, agencies, and institutions for the fiscal year
7 beginning July 1, 2016, and ending June 30, 2017, the following
8 amounts, or so much thereof as is necessary, to be used for the
9 purposes designated:

10 a. ECONOMIC DEVELOPMENT AUTHORITY

11 (1) For the purposes of providing assistance under the high
12 quality jobs program as described in section 15.335B:

13 \$ 8,450,000

14 (2) From the moneys appropriated in this lettered paragraph
15 "a", the economic development authority may use not more than
16 \$1,000,000 for purposes of providing infrastructure grants to
17 mainstreet communities under the main street Iowa program.

18 (3) As a condition of receiving moneys appropriated in
19 this lettered paragraph "a", an entity shall testify upon the
20 request of the joint appropriations subcommittee on economic
21 development regarding the expenditure of such moneys.

22 b. STATE BOARD OF REGENTS AND REGENTS INSTITUTIONS

23 (1) STATE BOARD OF REGENTS. For capacity building
24 infrastructure in areas related to technology
25 commercialization, marketing and business development
26 efforts in areas related to technology commercialization,
27 entrepreneurship, and business growth, and infrastructure
28 projects and programs needed to assist in implementation of
29 activities under chapter 262B:

30 \$ 1,500,000

31 Of the moneys appropriated pursuant to this subparagraph
32 (1), 35 percent shall be allocated for Iowa state university
33 of science and technology, 35 percent shall be allocated for
34 the university of Iowa, and 30 percent shall be allocated for
35 the university of northern Iowa.

1 (a) The institutions shall provide a one-to-one match
 2 of additional moneys for the activities funded with moneys
 3 appropriated under this subparagraph (1).

4 (b) The state board of regents shall annually submit a
 5 report by January 15 to the governor, the general assembly,
 6 and the legislative services agency regarding the activities,
 7 projects, and programs funded with moneys appropriated under
 8 this subparagraph (1). The report shall be provided in an
 9 electronic format and shall include a list of metrics and
 10 criteria mutually agreed to in advance by the board of regents
 11 and the economic development authority. The metrics and
 12 criteria shall allow the governor's office and the general
 13 assembly to quantify and evaluate the progress of the board of
 14 regents institutions with regard to their activities, projects,
 15 and programs in the areas of technology commercialization,
 16 entrepreneurship, regional development, and market research.

17 (2) IOWA STATE UNIVERSITY OF SCIENCE AND TECHNOLOGY. For
 18 small business development centers, the science and technology
 19 research park, and the center for industrial research and
 20 service, and for not more than the following full-time
 21 equivalent positions:

22	\$	1,212,151
23	FTEs	56.63

24 (a) Of the moneys appropriated in this subparagraph (2),
 25 Iowa state university of science and technology shall allocate
 26 at least \$735,728 for purposes of funding small business
 27 development centers. Iowa state university of science and
 28 technology may allocate the appropriated moneys to the various
 29 small business development centers in any manner necessary to
 30 achieve the purposes of this subparagraph.

31 (b) Iowa state university of science and technology shall
 32 do all of the following:

33 (i) Direct expenditures for research toward projects that
 34 will provide economic stimulus for Iowa.

35 (ii) Provide emphasis to providing services to Iowa-based

1 companies.

2 (c) It is the intent of the general assembly that the
 3 industrial incentive program focus on Iowa industrial sectors
 4 and seek contributions and in-kind donations from businesses,
 5 industrial foundations, and trade associations, and that moneys
 6 for the center for industrial research and service industrial
 7 incentive program shall be allocated only for projects which
 8 are matched by private sector moneys for directed contract
 9 research or for nondirected research. The match required of
 10 small businesses as defined in section 15.102, subsection 10,
 11 for directed contract research or for nondirected research
 12 shall be \$1 for each \$3 of state funds. The match required
 13 for other businesses for directed contract research or
 14 for nondirected research shall be \$1 for each \$1 of state
 15 funds. The match required of industrial foundations or trade
 16 associations shall be \$1 for each \$1 of state funds.

17 Iowa state university of science and technology shall
 18 report annually to the joint appropriations subcommittee on
 19 economic development and the legislative services agency the
 20 total amount of private contributions, the proportion of
 21 contributions from small businesses and other businesses, and
 22 the proportion for directed contract research and nondirected
 23 research of benefit to Iowa businesses and industrial sectors.

24 (3) STATE UNIVERSITY OF IOWA. For the state university
 25 of Iowa research park and for the advanced drug development
 26 program at the Oakdale research park, including salaries,
 27 support, maintenance, equipment, and miscellaneous purposes,
 28 and for not more than the following full-time equivalent
 29 positions:

30	\$	104,640
31	FTEs	6.00

32 The state university of Iowa shall do all of the following:

33 (a) Direct expenditures for research toward projects that
 34 will provide economic stimulus for Iowa.

35 (b) Provide emphasis to providing services to Iowa-based

1 companies.

2 (4) STATE UNIVERSITY OF IOWA. For the purpose of
3 implementing the entrepreneurship and economic growth
4 initiative, and for not more than the following full-time
5 equivalent positions:

6 \$ 1,000,000
7 FTEs 9.75

8 (5) UNIVERSITY OF NORTHERN IOWA. For the metal casting
9 institute, the MyEntreNet internet application, and the
10 institute of decision making, including salaries, support,
11 maintenance, and miscellaneous purposes, and for not more than
12 the following full-time equivalent positions:

13 \$ 533,210
14 FTEs 7.72

15 (a) Of the moneys appropriated pursuant to this
16 subparagraph (5), the university of northern Iowa shall
17 allocate at least \$533,210 for purposes of support of
18 entrepreneurs through the university's regional business center
19 and economic gardening program.

20 (b) The university of northern Iowa shall do all of the
21 following:

22 (i) Direct expenditures for research toward projects that
23 will provide economic stimulus for Iowa.

24 (ii) Provide emphasis to providing services to Iowa-based
25 companies.

26 (6) As a condition of receiving moneys appropriated in
27 this lettered paragraph "b", an entity shall testify upon the
28 request of the joint appropriations subcommittee on economic
29 development regarding the expenditure of such moneys.

30 c. DEPARTMENT OF WORKFORCE DEVELOPMENT

31 To develop a long-term sustained program to train unemployed
32 and underemployed central Iowans with skills necessary to
33 advance to higher-paying jobs with full benefits:

34 \$ 50,000

35 (1) The department of workforce development shall begin

1 a request for proposals process, issued for purposes of this
 2 lettered paragraph "c", no later than September 1, 2016.

3 (2) As a condition of receiving moneys appropriated under
 4 this lettered paragraph "c", an entity shall testify upon the
 5 request of the joint appropriations subcommittee on economic
 6 development regarding the expenditure of such moneys.

7 2. Notwithstanding section 8.33, moneys appropriated
 8 in this section of this Act that remain unencumbered or
 9 unobligated at the close of the fiscal year shall not revert
 10 but shall remain available for expenditure for the purposes
 11 designated until the close of the succeeding fiscal year.

12 Sec. 35. IOWA PRODUCTS. As a condition of receiving an
 13 appropriation, any agency appropriated moneys pursuant to
 14 this division of this Act shall give first preference when
 15 purchasing a product to an Iowa product or a product produced
 16 from an Iowa-based business. Second preference shall be
 17 given to a United States product or a product produced from a
 18 business based in the United States.

19 Sec. 36. PERSONNEL SETTLEMENT AGREEMENT PAYMENTS. As
 20 a condition made to any appropriation to the department of
 21 cultural affairs, the economic development authority, the Iowa
 22 finance authority, the public employment relations board,
 23 the department of workforce development, the state board of
 24 regents, Iowa state university of science and technology, the
 25 state university of Iowa, or the university of northern Iowa as
 26 provided in this division of this Act, moneys appropriated and
 27 any other moneys available for use by that entity under this
 28 division of this Act shall not be used for the payment of a
 29 personnel settlement agreement between that entity and a state
 30 employee that contains a confidentiality provision intended to
 31 prevent public disclosure of the agreement or any terms of the
 32 agreement.

33 DIVISION III

34 MISCELLANEOUS PROVISIONS — EMPLOYMENT RIDES INITIATIVE

35 Sec. 37. NEW SECTION. 324A.8 Iowa employment rides

1 initiative — grant program — fund.

2 1. As used in this section, unless the context otherwise
3 requires "*employment transportation*" means an urban or
4 rural program or service that provides an individual with
5 transportation solely to or from a workplace, including but not
6 limited to the following programs and services:

7 a. Expanding or sustaining existing transportation services
8 or service hours.

9 b. Coordinating ride share services, including car pool or
10 van pool services.

11 c. Shuttle services.

12 2. The Iowa employment rides initiative is established in
13 the department to provide grants to public transit systems for
14 programs and services that provide employment transportation
15 to Iowans.

16 3. The department shall award grants on a competitive basis.
17 A grant shall not exceed one hundred fifty thousand dollars. A
18 grant application shall contain a commitment from the public
19 transit system of at least a dollar-for-dollar match of the
20 grant funds awarded. Moneys charged to individuals receiving
21 employment transportation services cannot be used as matching
22 funds. Grants shall be used only for operational costs
23 directly associated with providing employment transportation
24 and shall not be used for capital expenditures or construction.

25 4. A public transit system may coordinate with other local,
26 state, or federal governmental agencies and private nonprofit
27 organizations in the administration of a program or service
28 receiving a grant under the initiative and in expenditure of
29 grant funds.

30 5. The department shall, by January 1 each year, submit
31 a report to the general assembly on the outcomes of the
32 initiative, including the grant amount, the type of program or
33 service receiving funds, and the number of individuals served
34 for each grant awarded by the initiative. As a condition of
35 having received a grant from the initiative, a public transit

1 system shall provide the department with information on any
 2 program or service for which the public transit system is
 3 awarded a grant from the initiative.

4 6. The department shall adopt rules pursuant to chapter 17A
 5 to administer the initiative, including but not limited to an
 6 application process and grant award criteria.

7 7. *a.* An Iowa employment rides fund is created in the state
 8 treasury under the control of the department. The fund shall
 9 consist of moneys appropriated to the department and any other
 10 moneys available to, obtained, or accepted by the department
 11 for placement in the fund.

12 *b.* Moneys in the fund are appropriated to the department and
 13 shall be used to provide grants under the Iowa employment rides
 14 initiative established in this section.

15 *c.* Moneys in the fund are not subject to section 8.33.
 16 Notwithstanding section 12C.7, subsection 2, interest or
 17 earnings on moneys in the fund shall be credited to the fund.

18 DIVISION IV

19 MISCELLANEOUS PROVISIONS —

20 MERIT SYSTEM STATUS AND APPEALS

21 Sec. 38. Section 8A.412, subsection 11, Code 2015, is
 22 amended to read as follows:

23 11. Professional employees under the supervision of the
 24 attorney general, the state public defender, the secretary
 25 of state, the auditor of state, the treasurer of state, and
 26 the public employment relations board. However, employees of
 27 the consumer advocate division of the department of justice,
 28 other than the consumer advocate, and administrative law judges
 29 appointed or employed by the public employment relations board,
 30 are subject to the merit system.

31 Sec. 39. Section 8A.415, subsection 1, paragraph b, Code
 32 2015, is amended to read as follows:

33 *b.* If not satisfied, the employee may, within thirty
 34 calendar days following the director's response, file an
 35 appeal with the public employment relations board. The

1 hearing shall be conducted in accordance with the rules of the
2 public employment relations board and the Iowa administrative
3 procedure Act, chapter 17A. Decisions rendered shall be based
4 upon a standard of substantial compliance with this subchapter
5 and the rules of the department. Decisions by the public
6 employment relations board constitute final agency action.
7 However, if the employee is an administrative law judge
8 appointed or employed by the public employment relations board,
9 the employee's appeal shall be heard by an administrative law
10 judge employed by the administrative hearings division of the
11 department of inspections and appeals in accordance with the
12 provisions of section 10A.801, whose decision shall constitute
13 final agency action.

14 Sec. 40. Section 8A.415, subsection 2, paragraph b, Code
15 2015, is amended to read as follows:

16 b. If not satisfied, the employee may, within thirty
17 calendar days following the director's response, file an appeal
18 with the public employment relations board. The employee has
19 the right to a hearing closed to the public, unless a public
20 hearing is requested by the employee. The hearing shall
21 otherwise be conducted in accordance with the rules of the
22 public employment relations board and the Iowa administrative
23 procedure Act, chapter 17A. If the public employment relations
24 board finds that the action taken by the appointing authority
25 was for political, religious, racial, national origin, sex,
26 age, or other reasons not constituting just cause, the employee
27 may be reinstated without loss of pay or benefits for the
28 elapsed period, or the public employment relations board may
29 provide other appropriate remedies. Decisions by the public
30 employment relations board constitute final agency action.
31 However, if the employee is an administrative law judge
32 appointed or employed by the public employment relations board,
33 the employee's appeal shall be heard by an administrative law
34 judge employed by the administrative hearings division of the
35 department of inspections and appeals in accordance with the

1 provisions of section 10A.801, whose decision shall constitute
 2 final agency action.

3 Sec. 41. Section 10A.801, subsection 3, paragraph a, Code
 4 2015, is amended to read as follows:

5 a. The department shall employ a sufficient number of
 6 administrative law judges to conduct proceedings for which
 7 agencies are required, by section 17A.11 or any other provision
 8 of law, to use an administrative law judge employed by the
 9 division. An administrative law judge employed by the division
 10 shall not perform duties inconsistent with the judge's duties
 11 and responsibilities as an administrative law judge and shall
 12 be located in an office that is separated from the offices of
 13 the agencies for which that person acts as a presiding officer.
 14 ~~Administrative~~ The administrator and all administrative law
 15 judges shall be covered by the merit system provisions of
 16 chapter 8A, subchapter IV.

17 Sec. 42. Section 86.2, subsection 1, paragraphs a and b,
 18 Code 2015, are amended to read as follows:

19 a. Chief deputy workers' compensation commissioners for
 20 whose acts the commissioner is responsible, ~~who are exempt from~~
 21 who shall be appointed and serve pursuant to the merit system
 22 provisions of chapter 8A, subchapter IV, and who shall serve at
 23 the pleasure of the commissioner unless the commissioners are
 24 otherwise covered by a collective bargaining agreement.

25 b. Deputy workers' compensation commissioners for whose
 26 acts the commissioner is responsible ~~and who shall serve at the~~
 27 pleasure of the commissioner be appointed and serve pursuant
 28 to the merit system provisions of chapter 8A, subchapter IV,
 29 unless the commissioners are otherwise covered by a collective
 30 bargaining agreement.

31 Sec. 43. Section 96.6, subsection 3, paragraph b, Code 2015,
 32 is amended to read as follows:

33 b. Appeals from the initial determination shall be heard
 34 by an administrative law judge employed by the department who
 35 shall be covered by the merit system provisions of chapter

1 8A, subchapter IV, unless the administrative law judge is
 2 otherwise covered by a collective bargaining agreement. An
 3 administrative law judge's decision may be appealed by any
 4 party to the employment appeal board created in section
 5 10A.601. The decision of the appeal board is final agency
 6 action and an appeal of the decision shall be made directly to
 7 the district court.

8 DIVISION V

9 MISCELLANEOUS PROVISIONS — ECONOMIC DEVELOPMENT AUTHORITY

10 REDEVELOPMENT TAX CREDITS

11 Sec. 44. Section 15.293B, subsection 4, Code 2015, is
 12 amended to read as follows:

13 4. A registered project shall be completed within thirty
 14 months of the date the project was registered unless the
 15 authority, upon recommendation of the council and approval of
 16 the board, provides additional time to complete the project.
 17 ~~A project shall not be provided more than twelve months of~~
 18 ~~additional time.~~ If the registered project is not completed
 19 within the time required, the project is not eligible to claim
 20 a tax credit provided in section 15.293A.

21 Sec. 45. EFFECTIVE UPON ENACTMENT. This division of this
 22 Act, being deemed of immediate importance, takes effect upon
 23 enactment.

24 Sec. 46. RETROACTIVE APPLICABILITY. The section of this
 25 division of this Act amending Code section 15.293B applies
 26 retroactively to qualifying redevelopment project agreements
 27 entered into on or after July 1, 2010, for which a request for
 28 a project extension is submitted to the economic development
 29 authority on or after January 1, 2015.

30 DIVISION VI

31 MISCELLANEOUS PROVISIONS — FRANCHISE AGREEMENTS

32 Sec. 47. Section 537A.10, subsection 9, paragraph b, Code
 33 2015, is amended to read as follows:

34 b. However, the publication by the franchisor of a list
 35 of approved suppliers of goods, supplies, inventories, or

1 services, or the requirement that such goods, supplies,
 2 inventories, or services comply with customary and reasonable
 3 specifications and standards prescribed by the franchisor,
 4 does not constitute designation of a source. Additionally,
 5 the reasonable right of a franchisor to disapprove a supplier
 6 does not constitute a designation of source. This subsection
 7 does not apply to the principal goods, supplies, inventories,
 8 or services manufactured by the franchisor, except for motor
 9 oil that is labeled in accordance with the requirements of
 10 the American petroleum institute, or such goods, supplies,
 11 inventories, or services entitled to protection as a trade
 12 secret.

13 DIVISION VII

14 MISCELLANEOUS PROVISIONS — REINVESTMENT DISTRICTS AND FLOOD 15 MITIGATION

16 Sec. 48. Section 15J.4, subsection 3, paragraph a, Code
 17 2015, is amended to read as follows:

18 a. The municipality shall submit a copy of the resolution,
 19 the proposed district plan, and all accompanying materials
 20 adopted pursuant to this section to the board for evaluation.
 21 The board shall not approve a proposed district plan ~~or an~~
 22 ~~amendment to an existing district's plan~~ on or after July 1,
 23 2018.

24 Sec. 49. Section 28F.12, Code 2015, is amended to read as
 25 follows:

26 28F.12 Additional powers of the entity.

27 1. If the entity is comprised solely of cities, counties,
 28 and sanitary districts established under chapter 358, or any
 29 combination thereof, the entity shall have in addition to all
 30 the powers enumerated in this chapter, the powers ~~which~~ that a
 31 county has with respect to solid waste disposal projects.

32 2. If the entity is comprised solely of cities, counties,
 33 and sanitary districts established under chapter 358, or any
 34 combination thereof, it is a governmental entity with respect
 35 to projects undertaken pursuant to chapter 418 and may exercise

1 all of the powers of a governmental entity under that chapter
 2 in connection with the flood mitigation project. Unless
 3 otherwise provided in chapter 418, if undertaking a flood
 4 mitigation project as a governmental entity under chapter
 5 418, the provisions of chapter 418 shall prevail over any
 6 conflicting provision in this chapter.

7 Sec. 50. Section 418.1, subsection 4, paragraph c,
 8 unnumbered paragraph 1, Code 2015, is amended to read as
 9 follows:

10 A joint board or other legal or administrative entity
 11 established or designated in an agreement pursuant to chapter
 12 28E or 28F between any of the following:

13 Sec. 51. Section 418.1, subsection 4, paragraph c, Code
 14 2015, is amended by adding the following new subparagraph:

15 NEW SUBPARAGRAPH. (4) One or more counties, one or more
 16 cities that are located in whole or in part within those
 17 counties, and one or more sanitary districts established under
 18 chapter 358 or a combined water and sanitary district as
 19 provided for in sections 357.1B and 358.1B, located in whole or
 20 in part within those counties.

21 Sec. 52. Section 418.4, subsection 1, paragraph b, Code
 22 2015, is amended to read as follows:

23 b. A governmental entity as defined in section 418.1,
 24 subsection 4, paragraph "c", shall have the power to construct,
 25 acquire, own, repair, improve, operate, and maintain a project,
 26 may sue and be sued, contract, and acquire and hold real and
 27 personal property, subject to the limitation in paragraph
 28 "c", and shall have such other powers as may be included in
 29 the chapter 28E or 28F agreement. Such a governmental entity
 30 may contract with a city or the county participating in the
 31 ~~chapter 28E~~ agreement to perform any governmental service,
 32 activity, or undertaking that the city or county is authorized
 33 by law to perform, including but not limited to contracts for
 34 administrative services.

35 Sec. 53. Section 418.11, subsection 3, paragraph c, Code

1 2015, is amended to read as follows:

2 *c.* For projects approved for a governmental entity as
 3 defined in section 418.1, subsection 4, paragraph “*c*”, the
 4 area used to determine the sales tax increment shall include
 5 the incorporated areas of each participating city ~~that is~~
 6 ~~participating in the chapter 28E agreement~~, the unincorporated
 7 areas of ~~the~~ each participating county, ~~and~~ the area of any
 8 participating drainage district not otherwise included in
 9 the areas of the participating cities or county, and the
 10 area served by any sanitary district or combined water and
 11 sanitary district and not otherwise included in the areas of
 12 the participating cities or counties, as applicable.

13 Sec. 54. Section 418.11, subsection 3, Code 2015, is amended
 14 by adding the following new paragraph:

15 NEW PARAGRAPH. *d.* For all projects, the area used to
 16 determine the sales tax increment shall not include any parcels
 17 of real property that are included in a reinvestment district
 18 designated pursuant to chapter 15J.

19 Sec. 55. Section 418.14, subsection 3, paragraph a, Code
 20 2015, is amended to read as follows:

21 *a.* Except as otherwise provided in this section, bonds
 22 issued pursuant to this section shall not be subject to
 23 the provisions of any other law or charter relating to the
 24 authorization, issuance, or sale of bonds. Bonds issued under
 25 this section shall not limit or restrict the authority of a
 26 governmental entity as defined in section 418.1, subsection 4,
 27 paragraphs “*a*” and “*b*”, or a city, county, ~~or~~ drainage district,
 28 sanitary district, or combined water and sanitary district
 29 participating in a governmental entity as defined in section
 30 418.1, subsection 4, paragraph “*c*”, to issue bonds for the
 31 project under other provisions of the Code.

32 Sec. 56. Section 418.14, subsection 4, paragraph b, Code
 33 2015, is amended to read as follows:

34 *b.* If the moneys in the governmental entity’s flood project
 35 fund are insufficient to pay the governmental entity’s costs

1 related to bonds, notes, or other obligations issued under
 2 this chapter, the amounts necessary to pay such costs may
 3 be levied and transferred for deposit in the governmental
 4 entity's flood project fund from the debt service fund of the
 5 governmental entity or, if applicable, the debt service fund
 6 of a participating city or county for a governmental entity as
 7 defined in section 418.1, subsection 4, paragraph "c", but only
 8 if and to the extent provided in the resolution authorizing the
 9 issuance of bonds and, if applicable, the chapter 28E or 28F
 10 agreement.

11 Sec. 57. Section 418.15, subsection 4, Code 2015, is amended
 12 to read as follows:

13 4. All property and improvements acquired by a governmental
 14 entity as defined in section 418.1, subsection 4, paragraph
 15 "c", relating to a project shall be transferred to the county,
 16 city, ~~or~~ drainage district, sanitary district, or combined
 17 water and sanitary district designated in the chapter 28E or
 18 28F agreement to receive such property and improvements. The
 19 county, city, ~~or~~ drainage district, sanitary district, or
 20 combined water and sanitary district to which such property or
 21 improvements are transferred shall, unless otherwise provided
 22 in the chapter 28E or 28F agreement, be solely responsible
 23 for the ongoing maintenance and support of such property and
 24 improvements.

25 Sec. 58. Section 423.2, subsection 11, paragraph b, Code
 26 2015, is amended by adding the following new subparagraph:

27 NEW SUBPARAGRAPH. (05) Beginning the first day of the
 28 calendar quarter beginning on the reinvestment district's
 29 commencement date, subject to remittance limitations
 30 established by the economic development authority board
 31 pursuant to section 15J.4, subsection 3, transfer to a district
 32 account created in the state reinvestment district fund for
 33 each reinvestment district established under chapter 15J, the
 34 amount of new state sales tax revenue, determined in section
 35 15J.5, subsection 1, paragraph "b", in the district, that

1 remains after the prior transfers required under this paragraph
2 "b". Such transfers shall cease pursuant to section 15J.8.

3 Sec. 59. Section 423.2, subsection 11, paragraph b,
4 subparagraph (6), Code 2015, is amended by striking the
5 subparagraph.

6 Sec. 60. Section 423.2, Code 2015, is amended by adding the
7 following new subsection:

8 NEW SUBSECTION. 11A. Of the amount of sales tax revenue
9 actually transferred per quarter pursuant to subsection 11,
10 paragraph "b", subparagraphs (05) and (5), the department shall
11 retain an amount equal to the actual cost of administering the
12 transfers under subsection 11, paragraph "b", subparagraphs
13 (05) and (5), or twenty-five thousand dollars, whichever is
14 less. The amount retained by the department pursuant to this
15 subsection shall be divided pro rata each quarter between the
16 amounts that would have been transferred pursuant to subsection
17 11, paragraph "b", subparagraphs (05) and (5), without the
18 deduction made by operation of this subsection. Revenues
19 retained by the department pursuant to this subsection shall be
20 considered repayment receipts as defined in section 8.2.

21 Sec. 61. EFFECTIVE UPON ENACTMENT. This division of this
22 Act, being deemed of immediate importance, takes effect upon
23 enactment.

24 Sec. 62. RETROACTIVE AND OTHER APPLICABILITY.

25 1. Except as provided in subsection 3, this division of this
26 Act applies retroactively to reinvestment districts designated
27 under chapter 15J in existence on or after July 1, 2014.

28 2. Except as provided in subsection 3, this division of
29 this Act applies to flood mitigation project plan applications
30 received under chapter 418 before, on, or after the effective
31 date of this division of this Act.

32 3. The sections of this division of this Act amending
33 section 423.2, subsection 11, and enacting section 423.2,
34 subsection 11A, apply to transfers of sales tax revenues made
35 on or after July 1, 2015.

1 DIVISION VIII
2 MISCELLANEOUS PROVISIONS — NUISANCE PROPERTIES AND ABANDONED
3 BUILDINGS

4 Sec. 63. Section 15.335B, subsection 2, paragraph a, Code
5 2015, is amended by adding the following new subparagraph:
6 NEW SUBPARAGRAPH. (8) For deposit in the nuisance property
7 remediation fund created pursuant to section 15.338.

8 Sec. 64. NEW SECTION. 15.338 Nuisance property remediation
9 assistance — fund.

10 1. a. The economic development authority shall establish
11 a nuisance property remediation fund pursuant to section
12 15.106A, subsection 1, paragraph "o", for purposes of providing
13 financial assistance to cities for the remediation of nuisance
14 properties and abandoned buildings and other structures. The
15 authority shall administer the fund in a manner designed to
16 make funds annually available to cities for purposes of this
17 section.

18 b. The authority may administer a fund established for
19 purposes of this section as a revolving fund. The fund may
20 consist of any moneys appropriated by the general assembly for
21 purposes of this section and any other moneys that are lawfully
22 available to the authority, including moneys transferred or
23 deposited from other funds created pursuant to section 15.106A,
24 subsection 1, paragraph "o".

25 c. The authority shall use any moneys specifically
26 appropriated for purposes of this section only for the purposes
27 of this section. The authority may use all other moneys in the
28 fund, including interest, earnings, recaptures, and repayments
29 for purposes of this section or the authority may transfer
30 the other moneys to other funds created pursuant to section
31 15.106A, subsection 1, paragraph "o".

32 d. Notwithstanding section 8.33, moneys in the nuisance
33 property remediation fund at the end of each fiscal year shall
34 not revert to any other fund but shall remain in the fund for
35 expenditure for subsequent fiscal years.

1 e. The authority may use not more than five percent of
2 the moneys in the fund at the beginning of the fiscal year
3 for purposes of administrative costs, finance, compliance,
4 marketing, and program support.

5 2. The authority shall use moneys in the fund to provide
6 financial assistance to cities for the remediation of nuisance
7 properties and abandoned buildings and other structures. Such
8 financial assistance may include grants, loans, forgivable
9 loans, or other forms of financial assistance as necessary
10 to effectuate the purposes of this section. The authority
11 may provide financial assistance under this section using a
12 competitive scoring process.

13 3. In providing financial assistance under this section,
14 the authority may give priority to cities with severe blighted
15 areas, widespread dilapidated housing stock, or high rates of
16 low or moderate income residents.

17 4. The authority shall enter into an agreement with
18 each city for the receipt of financial assistance under
19 this section. The authority may negotiate the terms of the
20 agreement.

21 5. In providing financial assistance under this section,
22 the authority shall coordinate with a city to develop a plan
23 for the use of funds that is consistent with the community
24 development, housing, and economic development goals of the
25 city. The terms of the agreement entered into pursuant to
26 subsection 3 and the use of financial assistance provided under
27 this section shall reflect the plan developed based on a city's
28 goals.

29 6. If a city receives financial assistance under this
30 section, the amount of any lien created for costs related to
31 remediation of the property, shall not include any moneys that
32 the city received pursuant to this section to remediate the
33 property.

34 7. The authority shall submit a report to the general
35 assembly and the governor's office on or before January

1 31, 2019, describing the results of the program implemented
2 pursuant to this section and making recommendations for
3 additional program changes.

4 Sec. 65. Section 657A.1, subsections 1 and 3, Code 2015, are
5 amended to read as follows:

6 1. "*Abandoned*" or "*abandonment*" means that a building has
7 remained vacant and has been in violation of the housing code
8 or building code of the city in which the property is located
9 or the housing code or building code applicable in the county
10 in which the property is located if outside the limits of a
11 city for a period of six consecutive months.

12 3. "*Building*" means a building or structure located in a
13 city or outside the limits of a city in a county, which is used
14 or intended to be used for commercial or industrial purposes or
15 which is used or intended to be used for residential purposes,
16 and includes a building or structure in which some floors
17 may be used for retail stores, shops, salesrooms, markets,
18 or similar commercial uses, or for offices, banks, civic
19 administration activities, professional services, or similar
20 business or civic uses, and other floors are used, designed, or
21 intended to be used for residential purposes.

22 Sec. 66. Section 657A.10A, subsection 1, paragraph b, Code
23 2015, is amended to read as follows:

24 b. The petition shall be filed in the district court of
25 the county in which the property is located. Service on the
26 owner and any other named respondents shall be by personal
27 service or certified mail and or, if service cannot be made by
28 either method, by posting the notice in a conspicuous place
29 on the building and by publication in a newspaper of general
30 circulation in the city. The action shall be in equity.

31 Sec. 67. Section 657A.10A, subsection 3, paragraphs d, f,
32 and j, Code 2015, are amended to read as follows:

33 d. Whether the building meets the city's housing code ~~for~~ as
34 being fit for human habitation, occupancy, or use.

35 f. Whether the building is boarded up or otherwise secured

1 from unauthorized entry.

2 *j.* Past and current compliance with orders of the local
3 housing or building code official.

4 Sec. 68. Section 657A.10A, subsection 3, Code 2015, is
5 amended by adding the following new paragraphs:

6 NEW PARAGRAPH. *0e.* Whether the building meets the city's
7 building code as being fit for occupancy or use.

8 NEW PARAGRAPH. *0h.* Whether those claiming an interest
9 in the property have, prior to the filing of the petition,
10 demonstrated a good-faith effort to restore the property to
11 productive use.

12 Sec. 69. Section 657A.10A, subsections 4 and 5, Code 2015,
13 are amended to read as follows:

14 4. In lieu of the considerations in subsection 3, if the
15 city can establish to the court's satisfaction that all parties
16 with an interest in the property have received proper notice
17 and either consented to the entry of an order awarding title
18 to the property to the city or did not make a ~~good-faith~~
19 good-faith effort to comply with the order of the local housing
20 or building code official within sixty days after the filing
21 of the petition, the court shall enter judgment against the
22 respondents granting the city title to the property.

23 5. If the court determines that the property has been
24 abandoned or that subsection 4 applies, the court shall enter
25 judgment and order awarding title to the city. The title
26 awarded to the city shall be free and clear of any claims,
27 liens, or encumbrances held by the respondents.

28 EXPLANATION

29 The inclusion of this explanation does not constitute agreement with
30 the explanation's substance by the members of the general assembly.

31 This bill makes appropriations and transfers from the
32 general fund of the state and other funds to the department
33 of cultural affairs, the economic development authority, the
34 Iowa finance authority, the public employment relations board,
35 the department of workforce development, the board of regents,

1 the university of Iowa, the university of northern Iowa, and
2 Iowa state university for the 2015-2016 fiscal year modifies
3 the redevelopment tax credit, and provides for other related
4 changes.

5 DIVISION I — FY 2015-2016. Division I of the bill relates
6 to FY 2015-2016 appropriations and related changes. The
7 division provides that the goals for the economic development
8 authority shall be to expand and stimulate the state economy,
9 increase the wealth of Iowans, and increase the population of
10 the state.

11 The division transfers moneys collected by the division
12 of insurance in excess of the anticipated gross revenues to
13 the economic development authority for purposes of insurance
14 economic development and international insurance economic
15 development.

16 The division requests the auditor of state to review the
17 audit of the Iowa finance authority performed by the auditor
18 hired by the authority.

19 The division appropriates moneys from the special employment
20 security contingency fund to the department of workforce
21 development for field offices.

22 The division appropriates interest earned on the
23 unemployment compensation reserve fund to the department of
24 workforce development for the operation of field offices.

25 The division requires the department of workforce
26 development to require a unique identification login for
27 all users of workforce development centers operated through
28 electronic means.

29 The division appropriates moneys from moneys credited to
30 the state by the secretary of the treasury of the United
31 States pursuant to the Social Security Act to the department
32 of workforce development for the administration of the
33 unemployment compensation program only.

34 The division appropriates moneys from the Iowa skilled
35 worker and job creation fund to the economic development

1 authority and the board of regents and certain regents
2 institutions.

3 The division requires an agency receiving an appropriation
4 pursuant to the division to impose certain purchasing
5 preferences.

6 The division prohibits an agency receiving an appropriation
7 pursuant to the division from using moneys for the payment of a
8 personnel settlement agreement between that entity and a state
9 employee that contains a confidentiality provision.

10 DIVISION II — FY 2016-2017. Division II of the bill makes
11 appropriations and transfers from the general fund of the state
12 and other funds to the department of cultural affairs, the
13 economic development authority, the Iowa finance authority, the
14 public employment relations board, the department of workforce
15 development, the board of regents, the university of Iowa, the
16 university of northern Iowa, and Iowa state university for the
17 2016-2017 fiscal year at generally 50 percent of the amounts
18 appropriated for the same purposes for the prior fiscal year.

19 DIVISION III — MISCELLANEOUS PROVISIONS — EMPLOYMENT RIDES
20 INITIATIVE. Division III of the bill establishes an Iowa
21 employment rides initiative in the department of transportation
22 to provide funds to public transit systems for programs and
23 services that provide employment transportation to Iowans.
24 The division defines "employment transportation" as an urban
25 or rural program or service that provides an individual with
26 transportation solely to or from a workplace, including but
27 not limited to expanding or sustaining existing transportation
28 services or service hours, coordinating ride share services,
29 and shuttle services.

30 The department of transportation shall award grants on a
31 competitive basis. A grant cannot exceed \$150,000. A grant
32 application must contain a commitment from the public transit
33 system of at least a dollar-for-dollar match of the grant funds
34 awarded. Moneys charged to individuals receiving employment
35 transportation services cannot be used as matching funds. The

1 division requires a public transit system receiving a grant to
2 use those moneys only for operational costs directly associated
3 with providing employment transportation and prohibits the use
4 of the moneys for capital expenditures or construction.

5 The division permits the public transit system receiving a
6 grant pursuant to the division to coordinate with other local,
7 state, or federal governmental agencies and private nonprofit
8 organizations in the administration of a program or service.

9 The division requires a public transit system receiving a
10 grant, as a condition of the grant, to provide the department
11 of transportation with information on any program or service
12 for which the public transit system is awarded a grant.

13 The division requires the department of transportation to
14 submit a report to the general assembly by January 1 of each
15 year on the outcomes of the initiative.

16 The division requires the department of transportation to
17 adopt administrative rules to administer the initiative.

18 The division creates an employment rides fund in the state
19 treasury under the control of the department of transportation
20 to be used to provide grants under the Iowa employment rides
21 initiative.

22 DIVISION IV — MISCELLANEOUS PROVISIONS — MERIT

23 SYSTEM STATUS AND APPEALS. Division IV of the bill makes
24 miscellaneous Code changes related to the merit system

25 protection for administrative law judges in certain

26 departments. The division amends Code section 8A.412 to

27 provide that administrative law judges appointed or employed

28 by the public employment relations board are subject to the

29 merit system provision of Code chapter 8A. The division

30 amends Code section 8A.415 to provide that if an employee

31 subject to the merit system is an administrative law judge

32 appointed or employed by the public employment relations board,

33 the employee's appeal concerning a grievance or discipline

34 involving the employee shall be heard by an administrative law

35 judge within the department of inspections and appeals rather

1 than the public employment relations board, and the decision
2 of the administrative law judge within the department of
3 inspections and appeals constitutes the final agency action.

4 The division provides that the administrator of the
5 administrative hearings division of the department of
6 inspections and appeals is covered by the merit system as
7 provided in Code chapter 8A.

8 The division states that the chief deputy workers'
9 compensation commissioners and deputy workers' compensation
10 commissioners shall be appointed and serve pursuant to
11 the merit system provision of Code chapter 8A unless the
12 commissioners are otherwise covered by a collective bargaining
13 agreement. Currently, the chief deputy commissioners
14 are exempt from the merit system and all chief deputy and
15 deputy commissioners serve at the pleasure of the workers'
16 compensation commissioner.

17 The division provides that an administrative law judge
18 employed by the department of workforce development for
19 unemployment compensation cases shall be covered by the merit
20 system provisions of Code chapter 8A unless the judge is
21 otherwise covered by a collective bargaining agreement.

22 DIVISION V — MISCELLANEOUS PROVISIONS — ECONOMIC
23 DEVELOPMENT AUTHORITY REDEVELOPMENT TAX CREDIT. Division V
24 of the bill allows the economic development authority, upon
25 recommendation of the brownfield redevelopment advisory council
26 and approval of the economic development authority board,
27 to extend the time for completion of a registered project
28 receiving a redevelopment tax credit beyond the 30-month
29 limit from the date the project was registered. The division
30 eliminates a provision prohibiting a project from being
31 provided more than 12 months of additional time beyond the
32 30-month limit to complete the project. The provisions in this
33 division are effective upon enactment and apply retroactively
34 to qualifying redevelopment project agreements entered into
35 on or after July 1, 2010, for which a request for a project

1 extension is submitted to the economic development authority on
2 or after January 1, 2015.

3 DIVISION VI — MISCELLANEOUS PROVISIONS — FRANCHISE
4 AGREEMENTS. Division VI of the bill relates to franchise
5 agreements. The Code does not allow a franchisor to require
6 a franchisee to purchase goods, supplies, inventories, or
7 services exclusively from the franchisor or from a source of
8 supply specifically designated by the franchisor where the
9 goods, supplies, inventories, or services of comparable quality
10 are available from sources other than those designated by
11 the franchisor. The Code does, however, allow a franchisor
12 to publish a list of approved supplies of goods, supplies,
13 inventories, or services or require that such goods, supplies,
14 inventories, or services comply with specifications and
15 standards prescribed by the franchisor. The division adds
16 that such specifications and standards must be customary and
17 reasonable.

18 The Code currently provides that this limitation on the
19 sources of goods and services in franchise agreements does not
20 apply to principal goods, supplies, inventories, or services
21 manufactured by the franchisor. The division adds an exception
22 to the limitation for motor oil that is labeled in accordance
23 with the requirements of the American petroleum institute.

24 DIVISION VII — MISCELLANEOUS PROVISIONS — REINVESTMENT
25 DISTRICTS AND FLOOD MITIGATION. Division VII of the bill
26 relates to reinvestment districts under Code chapter 15J
27 and flood mitigation projects under Code chapter 418. The
28 division eliminates the prohibition on the economic development
29 authority board approving an amendment on or after July 1,
30 2018, to an existing district's plan. The division modifies
31 the definition of "governmental entity" for purposes of a flood
32 mitigation project to include a joint board or other legal or
33 administrative entity formed by a Code chapter 28F agreement
34 entered into by one or more counties, one or more cities
35 at least partly within the counties, and one or more Code

1 chapter 358 sanitary districts or a combined water and sanitary
2 district established by Code chapter 357 or 358 and located at
3 least partly within the city or county.

4 The division provides that, for purposes of funding a
5 flood mitigation project, the sales tax increment area shall
6 not include any parcels that are included in a reinvestment
7 district established under Code chapter 15J.

8 The division provides that transfers of sales tax increment
9 revenue to a reinvestment district account shall be made
10 prior to transfer of sales tax increment revenue to a flood
11 mitigation project account. The division also provides that
12 from the amounts transferred to reinvestment district accounts
13 and flood mitigation project accounts the department of revenue
14 shall retain the lesser of \$25,000 or the actual cost of
15 administering the specified transfers of sales tax increment
16 revenue quarterly as a repayment receipt. The division
17 provides the process for the retention of the revenue.

18 The division is effective upon enactment. The division
19 applies retroactively to reinvestment districts designated
20 under Code chapter 15J in existence on or after July 1, 2014,
21 and flood mitigation project plan applications received before,
22 on, or after the effective date of the division. The sections
23 of the division amending Code section 423.2, regarding the
24 transfers of sales tax increment revenue to a reinvestment
25 district and to a flood mitigation project account as well as
26 the retention of repayment receipts, apply to transfers of
27 sales tax revenues made on or after July 1, 2015.

28 DIVISION VIII — MISCELLANEOUS PROVISIONS — NUISANCE
29 PROPERTIES AND ABANDONED BUILDINGS. Division VIII of the
30 bill relates to nuisance properties and abandoned buildings.
31 The division requires the economic development authority
32 to establish a nuisance property remediation fund for the
33 purpose of providing financial assistance to cities for the
34 remediation of nuisance properties, abandoned buildings, and
35 other structures. The division provides that moneys in a fund

1 established in the high quality jobs program may be deposited
2 in the nuisance property remediation fund. The division
3 allows the authority to operate the fund as a revolving fund
4 and to use moneys in the fund for purposes of the program,
5 or the authority may transfer the moneys to other funds it
6 has created. However, the division states that the authority
7 must use any money specifically appropriated for nuisance
8 property remediation assistance for the program. Moneys in the
9 fund consist of appropriations and any other moneys lawfully
10 available to the authority. The authority may provide this
11 assistance using a competitive scoring process. The division
12 requires the authority to enter into an agreement with the
13 city concerning the assistance. The division allows the
14 authority to grant priority to cities with severe blighted
15 areas, widespread dilapidated housing stock, or high rates
16 of low and moderate income residents. The division provides
17 that the amount of any lien created for costs related to
18 remediation of a property does not include any moneys that
19 the city received as financial assistance under the program.
20 The division requires the authority to submit a report to the
21 general assembly and the governor's office on or before January
22 31, 2019, describing the results of the program and making
23 recommendations for program changes.

24 Division VIII also makes changes to the authority of
25 cities and counties relating to certain abandoned or unsafe
26 buildings. Code chapter 657A allows a city or county to take
27 action to abate by rehabilitation a building used primarily for
28 residential purposes that meets the statutory definition of
29 "abandoned" or "public nuisance", as those terms are defined
30 by the Iowa Code. The costs associated with rehabilitating
31 the building that remain unpaid by the owner create a mortgage
32 lien against the property. In lieu of abatement through
33 rehabilitation, Code section 657A.10A allows a city to file
34 an action in district court to take title to an abandoned
35 building. The court may award title to the petitioning city if

1 the court finds that the building is abandoned, using factors
2 established in statute, or if the city establishes that all
3 interested parties received proper notice and the interested
4 parties either consented to the title transfer or had taken no
5 action to comply with local housing official orders within 60
6 days after the filing of the petition.

7 The division amends the definition of "building" in Code
8 section 657A.1 to include buildings used or intended to be used
9 for commercial or industrial purposes and makes corresponding
10 amendments to refer to the local building code or local housing
11 code, as applicable.

12 Currently, Code section 657A.10A requires that service
13 of notice of the filing of the petition for title be made
14 on interested parties by certified mail and by posting on
15 the building. The division provides that service shall be
16 by personal service or certified mail or, if service cannot
17 be made by either method, by posting on the building and
18 publication in a newspaper of general circulation in the city.

19 The division also amends Code section 657A.10A to add to the
20 listing of factors for the court to consider when determining
21 whether property has been abandoned.